

HR Networking – Tuesday, October 28, 2003

Plan Design and/or 2004 Changes

Medical and Dental

1) Plan Descriptions available online

- a) Medical - <http://www.colorado.gov/dpa/dhr/benefits/2004/health.htm>
- b) Dental - <http://www.colorado.gov/dpa/dhr/benefits/2004/dental.htm>

Passive Enrollment, except

- 1) Persons currently enrolled in Rocky Mountain HMO must make new election. There is NO default coverage.
- 2) Persons who wish to change from pre-tax to post-tax or vice-versa, must submit new enrollment.
- 3) Persons who wish to participate in either Flexible Spending Account must make a new election (re-enroll) each year.
- 4) Persons who wish to make other changes must submit new enrollment.

Group Term Life and AD&D (GTL/AD&D)

- 1) Standard Insurance assumes risk January 1, 2004, except
 - a) Persons currently receiving disability waiver of premium benefits remain insured by Anthem Life (or other carrier in place at commencement of disability)
 - b) Persons who become disabled in 2003 and subsequently become eligible for disability waiver of premium, must apply for waiver under the Anthem Life plan.
 - c) Persons who retire or terminate in 2003 (including those whose last day of employment is December 31, 2003) who wish to exercise conversion rights, must convert under the Anthem Life provisions.
- 2) There is NO Guarantee Issue (GI) at Open Enrollment for adults
 - a) GI applies to initial eligibility (i.e., date of hire) and life change events (i.e., marriage, birth, adoption) ONLY.
 - b) Application must be timely
- 3) Dependents will be issued no more than 50% of Employee coverage except
 - a) Optional Life coverage effective before January 1, 2003 is exempt from the 50% rule as long as neither Employee nor Spouse make any changes in their coverage. Any change (addition or reduction) will trigger the new rules.
 - b) Persons who are not making any changes to their life coverage (not submitting enrollment/change forms) do NOT have to submit Medical History Statements, even if they receive an online message directing them to do so. (it's a glitch)
 - c) Persons who are reducing or canceling their life coverage do not have to submit Medical History Statements.

- 4) Persons whose applications for additional coverage are not approved, will NOT lose coverage already in place.
- 5) Persons who enroll / change life or LTD coverage online must submit hard copy enrollment forms and medical history forms. Online access is for employee information only, not enrollment.
- 6) Agencies will receive positive notification of underwriting decision (i.e., approved, denied, or closed).
- 7) GTL/AD&D Certificate of Coverage is now available online. No hard copy certificates will be sent to employees.
<http://www.colorado.gov/dpa/dhr/benefits/2004/docs/lifecert04.pdf>

Long-Term Disability (LTD)

- 1) Enrollment process altered to match process for GTL/AD&D
 - a) Medical History Form is submitted directly to Standard (to protect applicant's privacy)
<http://www.colorado.gov/dpa/dhr/pubs/docs/benefits/2004/medhistory.pdf>
 - b) Enrollment / Change Form is submitted to Agency
<http://www.colorado.gov/dpa/dhr/pubs/docs/benefits/2004/lifeltddenroll.pdf>
 - c) Agency will receive positive notification of underwriting decision

Health Care Flexible Spending Account (HCFSa)

- 1) Notwithstanding the recent revenue ruling, the State's plan document does not permit reimbursement of non-prescription/over-the counter (OTC) drugs.
- 2) We expect to amend the document, but since we can't be sure that it will be amended and approved by January 1, employees should be conservative and not consider OTC when estimating their out of pocket expenses for HCFSa.
- 3) Considerations
 - a) The adjudication process
 - i. - How to ascertain that the expense meets the requirements
 - ii - Financial impact on the program (i.e., impact on cost of administration)
 - iii - How to train/educate/communicate changes

On the Horizon

New forms from Standard Insurance, including disability claim form will be available online. No plans to print hard copies.

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